

BEFORE THE  
COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

-----)  
)  
Verizon's Draft Request )  
for Proposal for an Audit - )  
Requests for Comments - )  
Performance Assurance Plan )  
)  
-----) D.T.E. 03-50

INITIAL COMMENTS OF  
AT&T COMMUNICATIONS OF NEW ENGLAND, INC.

AT&T COMMUNICATIONS OF  
NEW ENGLAND, INC.

Mary E. Burgess

Its Attorney  
111 Washington Avenue  
Albany, New York 12210  
518-463-3148

Dated: January 26, 2004

BEFORE THE  
COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

-----)  
Verizon's Draft Request )  
for Proposal for an Audit - )  
Requests for Comments - )  
Performance Assurance Plan )  
-----) D.T.E. 03-50

INITIAL COMMENTS OF  
AT&T COMMUNICATIONS OF NEW ENGLAND, INC.

Pursuant to the Massachusetts Department of  
Telecommunications and Energy's request for comments issued  
January 12, 2004, AT&T Communications of New England, Inc.  
("AT&T") hereby submits its Initial Comments on the Draft  
Request for Proposal to Provide Audit Services for Verizon  
Communications. AT&T appreciates this opportunity to  
comment on the scope of the audit of Verizon's Performance  
Assurance Plan ("PAP"). AT&T commends the Department for  
recognizing that it is important to remain vigilant in  
subjecting the PAP to independent auditing to ensure that  
the plan serves the interests of the Department, CLECs, and  
the public, and that it remain reasonable to rely on the

PAP data as reported by Verizon. To ensure that the audit achieves its stated purpose, AT&T offers several recommendations and modifications.

#### **I. SCOPE OF WORK**

As the Department's Notice Inviting Comments explains, the annual audit process requires that an independent auditor be "selected by the Department," and "paid for by Verizon."

The PAP states that "[e]ach year the Department will audit Verizon's data and reporting," (emphasis added)<sup>1</sup> and "[t]he audits shall be performed by an independent auditor selected by the Department" (emphasis added). As currently drafted, the RFP could be misinterpreted to mean that Verizon is auditing itself. AT&T therefore recommends that the first sentence in the RFP's General Objective Section be modified as follows to reflect accurately the roles and responsibilities of the Department and Verizon: "The PAP requires that the Department shall audit Verizon's data and reporting. The audits shall be performed by an independent auditor, selected by the Department and paid for by Verizon." Similarly, the language at the end of the paragraph that refers to Verizon's conducting the audit

---

<sup>1</sup> MA PAP at 27.

should be amended to specify that the independent third party, not Verizon, is performing the audit.

In order to ensure that the scope of the audit is clearly defined, it should be made clear that the PAP audit will include the Carrier-to-Carrier Guidelines, on which the PAP's reporting and remedy provisions are based.

Because this is an audit conducted pursuant to the PAP, by an auditor selected by the Department, AT&T objects to the provision in the RFP that requires that Verizon consent to the methods and procedures to be used by the independent auditor. It is inappropriate to create a mechanism by which the audited party controls the auditor's methods and procedures. The auditor should design tests to determine the accuracy, completeness and correctness of the data being generated by Verizon pursuant to the PAP, and such tests should not require Verizon's approval.

## **II. AUDIT PLAN**

The audit plan should provide for a process by which the auditor examines the manner in which Verizon reviews its data to detect errors and omissions in the data, calculations, and reports developed pursuant to the PAP, and should examine how such errors and omissions are disclosed to recipients and corrected by Verizon.

With regard to the Draft RFP's statement that the audit will cover the most recent month's Final Report of wholesale performance, AT&T notes that to be final, the audit must lag the Carrier-to-Carrier report by two months due to the calculation of "-1" scores. Moreover, in order to capture special provisions that are calculated on a quarterly basis, such as UNE Flow Through, a quarter-end report should be used for the audit.

### **III. SPECIFIC REQUIREMENTS**

The Draft RFP requires the auditor to verify that Verizon's data calculations are accurate and performed in accordance with the PAP language. However, the auditor should also be required to identify any areas in which it determines that the Carrier-to-Carrier Guidelines or the PAP are ambiguous as currently written, and require Verizon to apply its own interpretation.

With regard to the reports that will be examined during the audit, the RFP should make clear that both CLEC - aggregate and CLEC-specific reports will be used, and that the audit will examine the timeliness and completeness of the reports. In order to audit Verizon's bill credits, AT&T recommends that for the month selected, the auditor verify the accuracy and timeliness of the largest bill

credit and a randomly selected bill credit for both a facilities-based and non-facilities based CLEC.

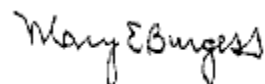
The auditor should be made aware that since Verizon PAP was last audited in Massachusetts, PAP audits have been conducted in New Jersey and Pennsylvania. Finally, AT&T submits that it is premature to consider moving the audit to a triennial schedule before the current audit has even begun. Once this audit is completed and its findings are known, the Department and interested parties will be better able to determine whether such a change is warranted.

#### **CONCLUSION**

Attached hereto is a red-lined version of Verizon's Draft RFP which reflects AT&T's proposed modifications. AT&T respectfully requests that the Department adopt AT&T's recommended modifications to the Draft RFP for an audit of Verizon's PAP.

Respectfully submitted,

AT&T COMMUNICATIONS OF NEW  
ENGLAND, INC.

A handwritten signature in cursive script, reading "Mary E. Burgess".

Mary E. Burgess  
111 Washington Ave.  
Rm. 706  
Albany, New York 12210

(518) 463-3148 (voice)  
(518) 463-5943 (fax)

Dated: January 26, 2004